



INDUSTRY CIRCULAR

DEPARTMENT OF
THE TREASURY
Bureau of Alcohol, Tobacco and Firearms
Washington, D. C. 20226
Number: 93-9 Date: 12/3/93

GOVERNMENT WARNING STATEMENT

Proprietors of Distilled Spirits Plants, Bonded Wine Cellars, Taxpaid Wine Bottling Houses, Breweries, Wholesalers, Importers and Others Concerned:

Purpose. The purpose of this industry circular is three-fold: (1) to reiterate to industry members the requirements associated with the Government warning statement, (2) to advise industry members of various problems the Bureau of Alcohol, Tobacco and Firearms (ATF) is encountering with respect to the Government warning statement, and (3) to inform industry members of the Bureau's enforcement policy relative to deficient Government warning statements.

Background. In accordance with the provisions of the Alcoholic Beverage Labeling Act (ABLA) of 1988, P.L. No. 100-690, ATF published in the Federal Register on February 16, 1989, a temporary rule (T.D. ATF-282, 54 FR 7160) requiring that the Government warning statement appear on all containers of alcoholic beverages bottled on or after November 18, 1989, for sale or distribution in the United States. On February 14, 1990, ATF published the final rule implementing the ABLA (T.D. ATF-294, 55 FR 5415). The final rule requirements, which became effective and mandatory on November 14, 1990, for alcoholic beverages bottled on or after that date, superseded the requirements of the temporary rule.

Basically, the requirements for the Government warning statement are as follows:

<u>1. TYPE SIZE</u>		<u>2. CHARACTERS PER INCH</u>	
<u>Container Size</u>	<u>Minimum Type Size Requirement</u>	<u>Minimum Type Size Requirement</u>	<u>Maximum Characters Per Inch</u>
Over 3 liters (101 fl. oz.)	3 mm	3 mm	12
Over 237 ml (8 fl. oz.)		2 mm	25
To 3 liters (101 fl. oz.)	2 mm	1 mm	40
237 ml or less	1 mm		

"Characters" are letters, numbers, and marks. "Characters" include commas, periods, colons and parentheses. Spaces are excluded when counting the number of characters per inch.

Regardless of the number of characters per inch, if the letters and/or words of the Government warning statement are not legible, the warning statement will not be in compliance with the ABLA.

3. FORMAT

Except for the words **GOVERNMENT WARNING**, the statement must appear as a continuous paragraph. Items (1) and (2) of the Government warning statement may not appear as separate paragraphs. The words **GOVERNMENT WARNING** must be capitalized and appear in bold print. The remainder of the statement may not appear in bold print.

The Government warning statement must appear separate and apart from all other information, readily legible and on a contrasting background.

Since its effective date, the Bureau has encountered various problems with the Government warning statement. The majority of these labels had not been reviewed for compliance by ATF because resubmission of labels was not a requirement. Listed below are some of the most frequent problems.

- a. Etched bottles, acetate labels, and designs (such as lines/patterns) have caused legibility problems.
- b. Overlapping labels are unacceptable. e.g., UPC covers part of the warning statement.
- c. Very few shiny label backgrounds have been found to be acceptable because of legibility.
- d. Punctuation and misspelled words are also an issue.
- e. In some cases, letter/background colors were not contrasting.

Concerns have also been raised regarding the noticeability of the Government warning statement when placed on neckwrap labels. The Bureau has and will continue to act on all instances of insufficient Government warning statements. One aspect of our continual actions is the ongoing marketplace sampling program, which includes evaluation of the Government warning label at the consumer distribution level. Products found with insufficient Government warning statements are detained until a label bearing an appropriate Government warning statement is affixed to each container. These types of cases have been strictly scrutinized by the Bureau, with a view toward total compliance.

Violation of the ABLA and the implementing regulations subjects the manufacturer, bottler, or importer to a civil penalty of up to \$10,000 per day, for each day that alcoholic beverages are manufactured, bottled, or imported for sale or distribution in the United States without the Government warning statement.

ATF would remind industry members that basic permits under the Federal Alcohol Administration Act are conditioned upon compliance with the provisions of the ABLA.

Inquiries. Inquiries concerning this circular should refer to its number and be addressed to the Chief, Product Compliance Branch (Compliance Operations), Bureau of Alcohol, Tobacco and Firearms, 650 Massachusetts Avenue, NW., Washington, DC 20226.


Director